



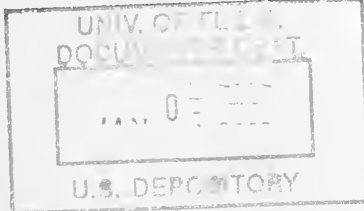
NATIONAL RECOVERY ADMINISTRATION

PROPOSED CODE OF FAIR COMPETITION

FOR THE

HAT LINING INDUSTRY

AS SUBMITTED ON SEPTEMBER 5, 1933



The Code for the Hat Lining Industry
in its present form merely reflects the proposal of the above-mentioned
industry, and *none of the provisions contained therein are
to be regarded as having received the approval of
the National Recovery Administration
as applying to this industry*

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933

SUBMITTED BY
NATIONAL HAT LINING ASSOCIATION

CODE OF FAIR COMPETITION FOR THE HAT LINING INDUSTRY

ADOPTED BY THE NATIONAL HAT LINING ASSOCIATION

For the purpose of effectuating the policy of the United States Government as declared in Title I, Section 1, of The National Industrial Recovery Act, the National Hat Lining Association, hereafter termed the "Association", adopts the following as a Code of Fair Competition to govern the industry for the duration of such Act.

ARTICLE I—APPLICATION OF THE CODE

SECTION 1. This Code shall apply to all manufacturers of hat linings or sweat bands for ladies' hats.

SEC. 2. *Definitions.*—The term "hat lining industry" includes manufacturers of hat linings for ladies' hats and sweat bands for ladies' hats. The term "person" shall include a firm or corporation. The term "manufacturer" means a person actually engaged in manufacture, having a plant or factory, maintaining an office, keeping regular books of account, operating machines in the manufacture of hat linings or sweat bands, and employing one or more operators.

ARTICLE II—LABOR REGULATIONS

SECTION 1. Employees in the said industry shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

SEC. 2. No employee of said industry and no one seeking employment therein shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

SEC. 3. Employers of labor in said industry shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President of the United States.

SEC. 4. Annexed hereto as Schedule 1, and made a part of this Code, is a Schedule of maximum hours of labor, minimum rates of wages, and other matters affecting conditions of employment.

SEC. 5. The members of the Association shall supply to the Executive Committee and to the Industrial Code Committee of the Association all data required by such Committees for the purpose of determining whether the Schedule referred to in Section 4 of this Article is adhered to and whether any amendments or additions

thereto should be made in order to effectuate the declared policy of the National Industrial Recovery Act. Reports containing such data shall be given from time to time as required by said Committees or either of them and such information shall be furnished under oath or certified by a certified public accountant. Every member shall give the Association access to his books for the purpose of verifying such statements.

SEC. 6. Subject to such rules, regulations, and restrictions in regard thereto as may be made by the President of the United States, each person not a member of this Association engaged in the hat-lining industry shall furnish to the Executive Committee and the Industrial Code Committee of the Association, whose duty it shall be to collect the same, all data required by such Committee for the purpose of determining whether the Schedule referred to in Section 4 of this Article is adhered to and whether any amendments or additions thereto should be made in order to effectuate the declared policy of the National Industrial Recovery Act. Reports containing such data shall be given from time to time as required by said Committees or either of them and such information shall be furnished under oath or certified by a certified public accountant. Such person shall give the Association access to his books for the purpose of verifying such statements.

SEC. 7. Persons engaged in the industry who employ union labor will, by a representative committee appointed by the Association, confer and negotiate with the duly appointed local representatives of the labor unions as to wages, hours, and conditions of labor, and shall not depart from the rules and/or conditions laid down in the agreement arrived at by such representatives and currently in force, in any manner tending to give them an advantage in respect to costs of work over competitors who may strictly adhere to such agreements.

SEC. 8. No person engaged in the industry shall seek or accept an individual or special agreement with organized labor, and agreements entered into by the Association referred to in Section 7 of this Article shall be so written as to abrogate any individual agreements currently in force.

SEC. 9. Upon the adoption and approval of this Code each manufacturer must affix on the wall of his factory a copy of the minimum prices for labor fixed by this Code.

ARTICLE III—INDUSTRY REGULATIONS

SECTION 1. Prices of all products manufactured and sold by the industry shall generally be such as to make a fair net return to the manufacturer.

SEC. 2. No such products shall be sold below cost, and each manufacturer shall determine and certify the cost of manufacture to the Association. The Association through Committees or agents appointed by the board of directors will proceed to gather all relevant information as to the cost of manufacture and employ such agents as may be necessary in order to determine such costs.

Provided, however, job or distress products or products which must be converted into cash to meet immediate needs may be sold at such prices as are necessary to move such products. However, such sales must first be reported to the Executive Committee of the Association and may be made only upon its written approval.

SEC. 3. The Association may set and vary from time to time the minimum prices to be charged for products manufactured by the industry in any district or locality, which shall be based upon cost of production and market and competitive-marketing factors, but which prices shall not be more than reasonable.

SEC. 4. The following are declared to be unfair trade practices in the industry:

(a) To allow discounts in excess of seven percent (7%) ten (10) days E.O.M. and six percent (6%) per annum for anticipation. No discounts shall be allowed after the expiration of ten (10) days E.O.M.

(b) To permit a purchaser to whom delivery has been made in accordance with contract of sale to return merchandise or exchange colors or make any other exchange of merchandise, more than five (5) days after such delivery.

(c) To effect or conceal price discrimination by the payment or allowance of secret rebates, refunds, credits, or unearned discounts, whether in the form of money or gifts, the extending of special privileges, including discriminatory allowances for service, not extended to all purchasers under like terms and conditions, false invoicing or billing or otherwise.

(d) Commercial bribery, giving gratuities in any form, whether directly or indirectly to customer's employees or obtaining sales by giving commissions or rewards in any form to employees of purchasers or distributors or otherwise inducing the placing of orders through lavish entertainment or indirect gifts or other form of commercial bribery.

(e) To sell on consignment or with any guaranty against decline in prices. Provided, however, samples may be shipped on consignment.

(f) Substitution of material differing in any respect from the material ordered without obtaining the approval of the buyer, or the use of raw material in any manufacturing process inferior in quality to the raw material specified in an order, or if not specified, inferior to the quality customarily used for similar orders.

(g) Attacking a competitor as to his financial standing or personal integrity or his ability to serve the trade.

(h) Solicitation of an order with knowledge that a signed order has been previously given to or a contract made with a competitor with intent to cause cancellation of the previous order or contract.

(i) Pre-dating contracts or wilfully misrepresenting the date of a contract.

(j) Misrepresentation as to work or quality of work or of materials, misleading advertising.

SEC. 6. No salesmen of linings shall be permitted to sell in New York City any other product except the products or merchandise of the manufacturer whom he represents.

SEC. 7. It is recognized that overproduction is injurious to the industry and to the nation and agreements to limit production to the reasonable demand may be made with the approval of the Association. Such production limitation shall be on an equitable basis allotted by the Association and production in excess thereof by any producer after having received a production allotment from the Association is an unfair method of competition.

SEC. 8. Group selling and the use of an exclusive agency in specified territory by members of the Association are approved.

SEC. 9. Division of consuming territory into market areas, providing for plants best equipped to serve particular markets to concentrate sales efforts in such districts, may be made by the Association from time to time.

SEC. 10. The Association shall adopt uniform grading of products so far as practicable.

ARTICLE IV—GENERAL

SECTION 1. No provision in this Code shall be interpreted or applied in such manner as to—

- (a) promote monopolies,
- (b) permit or encourage unfair competition,
- (c) eliminate or oppress small enterprises,
- (d) discriminate against small enterprises.

SEC. 2. This Code or any of its provisions may be cancelled or modified, and any approved rule issued thereunder shall be ineffective to the extent necessary to conform to any action by the President of the United States under Title I of the National Industrial Recovery Act.

SEC. 3. The Association may from time to time, subject to the approval of the President of the United States, amend this Code and promulgate rules hereunder.

SEC. 4. Violation by any member of the industry of any provisions of this Code or any approved rule issued hereunder is an unfair method of competition.

SEC. 5. The Code shall be in effect ten (10) days after its approval by the President of the United States.

SCHEDULE 1

ANNEXED TO CODE OF FAIR COMPETITION FOR THE HAT LINING INDUSTRY

ADOPTED BY THE NATIONAL HAT LINING ASSOCIATION

SECTION 1. On and after the date this Code takes effect employers in the hat-lining industry shall not operate on a schedule of hours of labor in excess of the following:

(a) Factory workers, forty (40) hours a week. No employee shall work more than eight (8) hours in any one day.

(b) Accounting, clerical, office employees, forty (40) hours a week.

SEC. 2. On and after the date this Code takes effect, the minimum wages to be paid by employers in the hat-lining industry (with exceptions hereafter noted) shall be as follows:

(a)

	New York City	Other cities above 150,000 popula- tion	All other
Skilled Labor:			
Pullers, per hour	\$0.60	\$0.56	\$0.50
Cutters, " .....	.70	.60	.50
Semi-Skilled Labor:			
Lining Operators, per hour .....	.37½	.35	.32½
Tip Makers, per hour .....	.37½	.35	.32½
Seamers, " .....	.37½	.35	.32½
Assistant Cutters or Cutting Attendants, per hour .....	.42½	.40	.37½
Unskilled Labor:			
Assistant Pullers, per hour .....	.30	.27½	.27½
Counters and Packers, per hour .....	.30	.27½	.27½
Office Boys, Office Girls, and Other Inexperienced Help and Unskilled Labor, per week	12.00	11.00	11.00

(b) Employees mentioned in Section 1 (b) of this schedule other than those mentioned in Section 2 (a), Fifteen Dollars (\$15.00) per week in any City of over 500,000 population or in the immediate trade area of such City; Fourteen Dollars and Fifty Cents (\$14.50) per week in any City of between 250,000 and 500,000 population or in the immediate trade area of such City; Fourteen Dollars (\$14.00) per week in any City or Town of between 2,500 and 250,000 population or in the immediate trade area of such City or Town; in towns of less than 2,500 population twenty per cent (20%) over that paid July 20, 1933, provided that this shall not require wages in excess of Twelve Dollars (\$12.00) per week. Population for the purposes of this schedule shall be determined by reference to the 1930 Federal Census.

SEC. 3. The provisions for the payment of a minimum wage establish a guaranteed minimum rate of pay per hour of employment regardless of whether the compensation of employees is otherwise based upon piecework performance, it being understood that manufacturers who are now operating their factories on a piecework basis need not change to a rate of pay per hour.

SEC. 4. There are certain classes of operations requiring special skill and not included in this Schedule and the foregoing minimum wage has no reference to such class for which higher wages shall be paid.

SEC. 5. No manufacturer shall operate his plant upon more than one shift.

SEC. 6. No contract for the manufacture of hat linings shall be let out by any manufacturer and no linings are to be manufactured outside of the plant of the manufacturer, except in the plant of a manufacturer who has accepted and is complying with this Code.

SEC. 7. On and after the date this Code takes effect employers in the hat-lining industry shall not employ any person under the age of sixteen (16) years.

SEC. 8. No employee shall be employed more than the maximum hours herein provided, whether at one or more shops.

SEC. 9. The provisions of Section 1 of this Schedule shall apply to manufacturers engaged in the industry who shall themselves perform manual labor.

SEC. 10. The provisions of Section 1 of this Schedule shall not apply to employees in a managerial or executive capacity receiving more than Thirty-five Dollars (\$35.00) a week; nor to employees in emergency, maintenance, and repair work; nor to very special cases where restriction of hours of highly skilled workers on continuous processes would unavoidably reduce production, but, in any such special case, at least time and one third shall be paid for hours worked in excess of the maximum.

SEC. 11. The provisions of Sections 1 and 2 of this Schedule shall not apply to salesmen.

SEC. 12. The provisions of Section 2 of this schedule shall not apply to apprentices. No employer shall employ more apprentices than shall equal 10% of all employees and no apprenticeship shall exceed six (6) weeks in duration. The wages to be paid to apprentices shall be the following minimum amounts:

In New York City, 18¢ per hour.

In other cities over 150,000 population, 17¢ per hour.

Elsewhere, 15¢ per hour.

NATIONAL HAT LINING ASSOCIATION,
By WILLIAM HOROWITZ, *President*.

